

ADMINISTRATIVE - INTERNAL USE ONLY

21 June 1976

OFFICE OF PERSONNEL MEMORANDUM NO. 20-31-38

SUBJECT : Within Grade Increase (WGI) Waiting Periods for
Prevailing Rate Employees Moving to the General
Schedule

REFERENCE: FPM Supplement 990-2, Book 531, S4

1. Prevailing rate employees who move to the General Schedule are entitled to have their service as prevailing rate employees counted toward the waiting period for General Schedule within grade increases (WGI). Under a Comptroller General decision dated 29 October 1974, effective 17 November 1972, the waiting period for a within grade increase under the General Schedule is without regard to general pay adjustments (increases) under the prevailing rate system. Wage adjustments for prevailing rate employees prior to this date, however, are considered to have been granted administratively and not by statute, and thus a prior general pay adjustment under the prevailing rate system was considered an equivalent increase for purposes of meeting the waiting period requirement for a within grade increase. An increase in pay granted by statute is not an equivalent increase in pay within the meaning of the law for the purpose of determining the waiting period for a within grade increase.

2. Employees converting from a prevailing rate system to the General Schedule receive credit toward their General Schedule WGI for the period from their last equivalent increase in the prevailing rate system. An equivalent increase is defined as an increase or increases in an employee's rate of basic pay equal to or greater than the amount of the within grade increase for the grade in which the employee is serving. An equivalent increase can result from a promotion or a step increase. A pay adjustment is not considered an equivalent increase, except as granted to prevailing rate employees prior to 17 November 1972.

EXAMPLE:

On 22 July 1973 Employee A is promoted to	
WG-4, Step 1 at \$3.48 per hour (2,080 x \$3.48)	\$ 7,238

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28 October 1973 pay adjustment to \$3.70 (2,080 x \$3.70) plus \$458	\$ 7,696
20 January 1974 advanced to Step 2 at \$3.83 (plus \$270) Begins new LEI date	7,966
12 May 1974 pay adjustment to \$4.26	8,860
27 October 1974 pay adjustment to \$4.47	9,297
24 November 1974 conversion to GS-05 Step 4 (plus \$51). WGI rate is \$283.	9,349
12 October 1975 legislative pay adjustment (plus \$470)	9,819
18 January 1976 granted WGI to Step 5 (104 weeks since LEI on 20 January 1974)	\$10,117


EXAMPLE:

On 13 June 1971 Employee B was promoted to WP 8, Step 3 at \$3.85 per hour (2,080 x \$3.85) Step increase equivalent is \$375.	\$ 8,008
28 November 1971 pay adjustment to \$4.06 (plus \$436) LEI.	8,444
26 November 1972 pay adjustment to \$4.28	8,902
25 November 1973 pay adjustment to \$4.52	9,401
12 May 1974 pay adjustment to \$5.19	10,795
24 November 1974 pay adjustment to \$5.52	11,481
23 November 1975 pay adjustment to \$6.06	12,604
18 January 1976 moved to GS-07/6 (Increase of \$282; WGI for GS-07 equals \$368)	12,886
18 January 1976 granted WGI to GS-07/7	13,254

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The employee is entitled to a WGI on the date that he is moved to the GS (18 January 1976), since his last equivalent increase occurred on 28 November 1971 (pay adjustments after 17 November 1972 are not considered equivalent increases and the increase of \$282 received with the move to GS did not equate to the step increase equivalent for the grade, that is, \$368). Since the WGI waiting period for Step 6 is 104 weeks, the employee is entitled to a WGI.


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